

ESHB 2016 - S AMD 443
By Senator Kline

1 Strike everything after the enacting clause and insert the
2 following:

3 "NEW SECTION. **Sec. 1.** A new section is added to chapter 8.25 RCW
4 to read as follows:

5 (1) Whenever condemnation is sought, a condemnor shall document its
6 consideration of any reasonable alternative to condemnation or any
7 alternative to the nature and extent of condemnation that is suggested
8 by a property owner in accordance with this section. The documentation
9 shall include the condemnor's reasons for rejecting any suggested
10 alternative.

11 (2) Not less than ninety days before taking final action, as
12 defined in RCW 8.25.---(4) (section 1(4) of Substitute House Bill No.
13 1458), the condemnor shall provide notice to the same property owners
14 and in the same manner as provided under RCW 8.25.---(2) (section 1(2)
15 of Substitute House Bill No. 1458). The notice need not contain
16 information about the time and location of the final action, but shall
17 indicate the date of the final action. The notice shall inform
18 property owners that their property may be the subject of condemnation
19 and that any reasonable alternative to condemnation suggested by an
20 owner in writing and received by the condemnor not less than sixty days
21 before the date indicated for the final action will be considered by
22 the condemnor.

23 (3) Not less than thirty days before the date indicated for final
24 action, the condemnor shall respond to a property owner who has
25 suggested an alternative under subsection (2) of this section. The
26 condemnor shall respond by either: (a) Providing the property owner
27 with written documentation of the condemnor's consideration of and
28 reasons for rejecting the alternative; or (b) notifying the property
29 owner that more time is needed for consideration of the alternative.
30 The condemnor may extend the time to respond to a suggested alternative

1 and postpone the indicated date of the final action, so long as the
2 condemnor provides the required documentation not less than thirty days
3 before final action is taken.

4 (4) Nothing in this section relieves a condemnor of the obligation
5 to provide the notice required under RCW 8.25.--- (section 1 of
6 Substitute House Bill No. 1458).

7 **Sec. 2.** RCW 8.25.020 and 1999 c 52 s 1 are each amended to read as
8 follows:

9 There shall be paid by the condemnor in respect of each parcel of
10 real property acquired by eminent domain or by consent under threat
11 thereof, in addition to the fair market value of the property, a sum
12 equal to the various expenditures actually and reasonably incurred by
13 those with an interest or interests in said parcel in the process of
14 evaluating and responding to the condemnor's offer to buy the same, but
15 not to exceed (~~(a total of seven hundred fifty dollars)~~) the lesser of:
16 (1) Five thousand dollars; or (2) One percent of the value of the
17 parcel as determined by the condemnor's fair market value appraisal or
18 seven hundred fifty dollars, whichever is greater. Such actual and
19 reasonable expenditures may include, but are not limited to, reasonable
20 fees of appraisers, attorneys, architects, engineers, or other persons
21 reasonably retained by the condemnee to evaluate the financial adequacy
22 of the offer. Financial adequacy shall be narrowly construed and shall
23 not include challenging the legality of the condemnation process or the
24 legality of the ongoing project for which the condemnation is sought.
25 In the case of multiple interests in a parcel, the division of such sum
26 shall be determined by the court or by agreement of the parties.

27 NEW SECTION. **Sec. 3.** A new section is added to chapter 8.25 RCW
28 to read as follows:

29 (1) Whenever real property or a portion of real property is to be
30 sold or otherwise disposed of within seven years after the date the
31 property was transferred to an acquiring entity through or under the
32 threat of condemnation, the former owner shall have a right of first
33 refusal to purchase the property in accordance with this section.
34 "Former owner" means the person or persons from whom the acquiring
35 entity acquired title or that person's or those persons' successors or
36 assigns to the right of first refusal.

1 (a) At least ninety days prior to the date on which the acquiring
2 entity will announce a public process for property disposition or, if
3 the sale is to be negotiated, at least ninety days prior to the date on
4 which a purchase and sale agreement or similar document is to be
5 signed, the acquiring entity shall: (i) Publish in a legal newspaper
6 of general circulation in the area where the property to be sold is
7 located, a notice indicating its determination to sell the property,
8 identifying the property, and describing generally any easements, other
9 restrictions, or reserved rights the acquiring entity intends to retain
10 upon sale; and (ii) mail the same notice to the former owner of the
11 property at the former owner's last known address or to a forwarding
12 address if that owner has provided the acquiring entity with a
13 forwarding address.

14 (b) If the former owner notifies the acquiring entity in writing
15 within thirty days of the date of notice provided under (a) of this
16 subsection that the former owner intends to exercise the right of first
17 refusal granted by this section, the acquiring entity shall, unless it
18 already has a completed current appraisal for the property, arrange for
19 an appraisal to determine the fair market value of the property or
20 portion of property subject to the right. In addition, the acquiring
21 entity shall arrange for an alternative appraisal equal to the
22 compensation received by the former owner from the acquiring entity
23 when the property or portion of the property was condemned or sold
24 under threat of condemnation, with interest accrued at the market rate,
25 and with that amount adjusted to reflect the value of any physical
26 changes made by the acquiring entity, such as improvements or removal
27 of structures.

28 (c) If the former owner does not provide timely written notice to
29 the acquiring entity of the intent to exercise a right of first
30 refusal, that right is extinguished and the acquiring entity is
31 relieved of any further obligation under this section.

32 (d) Within thirty days of receipt of the former owner's notice of
33 intent to exercise the right of first refusal or following the
34 acquiring entity's receipt of the appraisals, the acquiring entity
35 shall provide the former owner with a written copy of the two
36 appraisals. All costs of appraisal shall be paid by the acquiring
37 entity.

1 (e) In the event that the acquiring entity and the former owner
2 cannot agree on the amount of compensation paid for a portion of the
3 property under (b) of this subsection, the acquiring entity and the
4 former owner shall each arrange for an independent appraisal of the
5 just compensation allocation to the portion of the property to be sold.
6 If the acquiring entity and the former owner cannot then agree on the
7 amount, either party may initiate a lawsuit to determine the amount, or
8 they may agree to binding arbitration in which case the appraisals
9 shall be submitted to a third, independent appraiser. The third
10 appraiser shall sit as an arbitrator and determine the amount of
11 compensation paid under (b) of this subsection. The arbitrator's
12 decision shall be final and binding. The acquiring entity and former
13 owner shall bear their own costs and fees, and pay equally the costs
14 and fees of the arbitrator.

15 (f) Within thirty days of the date the acquiring entity provides a
16 written copy of the appraisals to the former owner under (d) of this
17 subsection, or within thirty days of the completion of any proceedings
18 under (e) of this subsection, whichever is later, the former owner may
19 exercise the right of first refusal granted by this section by
20 delivering to the acquiring entity earnest money or a deposit in a form
21 determined by the acquiring entity in an amount equal to five percent
22 of the appraised fair market value, together with a written promise to
23 pay, within thirty days, the following:

24 (i) The lesser of: (A) The appraised fair market value less the
25 earnest money or deposit; or (B) an amount equal to the compensation
26 received from the acquiring entity when the property or portion of
27 property was condemned or sold under threat of condemnation, with
28 interest accrued at the market rate, and with the amount adjusted to
29 reflect the value of any physical changes made by the acquiring entity
30 to the property, such as improvements or removal of structures, less
31 the earnest money or deposit; and

32 (ii) All required fees and costs otherwise required for the
33 transfer of real property.

34 (g) Upon receipt of the full payment required in (f) of this
35 subsection, the acquiring entity shall transfer title to the former
36 owner, subject to any easements, other restrictions, or reserved rights
37 retained by the acquiring entity. If the former owner fails to
38 complete the sale, the earnest money or deposit is forfeited to the

1 acquiring entity, the former owner's right of first refusal is
2 extinguished, and the acquiring entity is relieved of any further
3 obligation under this section.

4 (2) The acquiring entity may reject a notice of intent under
5 subsection (1)(b) of this section received from a person claiming to be
6 a successor or assignee that is not accompanied by evidence sufficient
7 to demonstrate that the person is the successor or assignee of the
8 person from whom the acquiring entity acquired the right of first
9 refusal.

10 (3) The obligations imposed on an acquiring entity in this section
11 are in addition to any provided by law for the surplusage or sale of
12 public property to private parties. Nothing in this section precludes
13 an acquiring entity from retaining the property and determining not to
14 surplus and sell the property.

15 (4) This section does not apply to the sale or disposal of property
16 to a public entity for a public purpose. This section does not apply
17 to the sale or disposal of property that implements and is consistent
18 with a community renewal plan approved pursuant to RCW 35.81.060.

19 (5) For the purposes of this section, "market rate" means two
20 percentage points above the equivalent coupon issue yield, as published
21 by the board of governors of the federal reserve system, of the average
22 bill rate for twenty-six week treasury bills as determined at the first
23 bill market auction conducted during the calendar month immediately
24 following the date when the acquiring entity provided compensation to
25 the former owner at the time the property was condemned or sold under
26 threat of condemnation.

27 **Sec. 4.** RCW 28A.335.120 and 2006 c 263 s 913 are each amended to
28 read as follows:

29 (1) The board of directors of any school district of this state
30 may:

31 (a) Sell for cash, at public or private sale, and convey by deed
32 all interest of the district in or to any of the real property of the
33 district which is no longer required for school purposes; and

34 (b) Purchase real property for the purpose of locating thereon and
35 affixing thereto any house or houses and appurtenant buildings removed
36 from school sites owned by the district and sell for cash, at public or

1 private sale, and convey by deed all interest of the district in or to
2 such acquired and improved real property.

3 (2) When the board of directors of any school district proposes a
4 sale of school district real property pursuant to this section and the
5 value of the property exceeds seventy thousand dollars, the board shall
6 publish a notice of its intention to sell the property. The notice
7 shall be published at least once each week during two consecutive weeks
8 in a legal newspaper with a general circulation in the area in which
9 the school district is located. The notice shall describe the property
10 to be sold and designate the place where and the day and hour when a
11 hearing will be held. The board shall hold a public hearing upon the
12 proposal to dispose of the school district property at the place and
13 the day and hour fixed in the notice and admit evidence offered for and
14 against the propriety and advisability of the proposed sale.

15 (3) The board of directors of any school district desiring to sell
16 surplus real property shall publish a notice in a newspaper of general
17 circulation in the school district. School districts shall not sell
18 the property for at least forty-five days following the publication of
19 the newspaper notice.

20 (4) Private schools shall have the same rights as any other person
21 or entity to submit bids for the purchase of surplus real property and
22 to have such bids considered along with all other bids.

23 (5) Any sale of school district real property authorized pursuant
24 to this section shall be preceded by a market value appraisal by a
25 professionally designated real estate appraiser as defined in RCW
26 74.46.020 or a general real estate appraiser certified under chapter
27 18.140 RCW selected by the board of directors and no sale shall take
28 place if the sale price would be less than ninety percent of the
29 appraisal made by the real estate appraiser: PROVIDED, That if the
30 property has been on the market for one year or more the property may
31 be reappraised and sold for not less than seventy-five percent of the
32 reappraised value with the unanimous consent of the board.

33 (6) If in the judgment of the board of directors of any district
34 the sale of real property of the district not needed for school
35 purposes would be facilitated and greater value realized through use of
36 the services of licensed real estate brokers, a contract for such
37 services may be negotiated and concluded: PROVIDED, That the use of a
38 licensed real estate broker will not eliminate the obligation of the

1 board of directors to provide the notice described in this section:
2 PROVIDED FURTHER, That the fee or commissions charged for any broker
3 services shall not exceed seven percent of the resulting sale value for
4 a single parcel: PROVIDED FURTHER, That any professionally designated
5 real estate appraiser as defined in RCW 74.46.020 or a general real
6 estate appraiser certified under chapter 18.140 RCW selected by the
7 board to appraise the market value of a parcel of property to be sold
8 may not be a party to any contract with the school district to sell
9 such parcel of property for a period of three years after the
10 appraisal.

11 (7) If in the judgment of the board of directors of any district
12 the sale of real property of the district not needed for school
13 purposes would be facilitated and greater value realized through sale
14 on contract terms, a real estate sales contract may be executed between
15 the district and buyer.

16 (8) This section is subject to and operates only to the extent its
17 application is not inconsistent with the operation of section 3 of this
18 act with respect to property acquired through or under the threat of
19 condemnation.

20 **Sec. 5.** RCW 35.58.340 and 1993 c 240 s 9 are each amended to read
21 as follows:

22 Except as otherwise provided herein, a metropolitan municipal
23 corporation may sell, or otherwise dispose of any real or personal
24 property acquired in connection with any authorized metropolitan
25 function and which is no longer required for the purposes of the
26 metropolitan municipal corporation in the same manner as provided for
27 cities. When the metropolitan council determines that a metropolitan
28 facility or any part thereof which has been acquired from a component
29 city or county without compensation is no longer required for
30 metropolitan purposes, but is required as a local facility by the city
31 or county from which it was acquired, the metropolitan council shall by
32 resolution transfer it to such city or county. This section is subject
33 to and operates only to the extent its application is not inconsistent
34 with the operation of section 3 of this act with respect to property
35 acquired through or under the threat of condemnation.

1 **Sec. 6.** RCW 35.80A.030 and 1989 c 271 s 241 are each amended to
2 read as follows:

3 A county, city, or town may dispose of real property acquired
4 pursuant to this section to private persons only under such reasonable,
5 competitive procedures as it shall prescribe. The county, city, or
6 town may accept such proposals as it deems to be in the public interest
7 and in furtherance of the purposes of this chapter. Thereafter, the
8 county, city, or town may execute and deliver contracts, deeds, leases,
9 and other instruments of transfer. This section is subject to and
10 operates only to the extent its application is not inconsistent with
11 the operation of section 3 of this act with respect to property
12 acquired through or under the threat of condemnation.

13 **Sec. 7.** RCW 35.94.040 and 1973 1st ex.s. c 95 s 1 are each amended
14 to read as follows:

15 Whenever a city shall determine, by resolution of its legislative
16 authority, that any lands, property, or equipment originally acquired
17 for public utility purposes is surplus to the city's needs and is not
18 required for providing continued public utility service, then such
19 legislative authority by resolution and after a public hearing may
20 cause such lands, property, or equipment to be leased, sold, or
21 conveyed. Such resolution shall state the fair market value or the
22 rent or consideration to be paid and such other terms and conditions
23 for such disposition as the legislative authority deems to be in the
24 best public interest.

25 The provisions of RCW 35.94.020 and 35.94.030 shall not apply to
26 dispositions authorized by this section.

27 This section is subject to and operates only to the extent its
28 application is not inconsistent with the operation of section 3 of this
29 act with respect to property acquired through or under the threat of
30 condemnation.

31 **Sec. 8.** RCW 36.68.010 and 1963 c 4 s 36.68.010 are each amended to
32 read as follows:

33 Counties may establish park and playground systems for public
34 recreational purposes and for such purposes shall have the power to
35 acquire lands, buildings and other facilities by gift, purchase, lease,
36 devise, bequest and condemnation. A county may lease or sell any park

1 property, buildings or facilities surplus to its needs, or no longer
2 suitable for park purposes: PROVIDED, That such park property shall be
3 subject to the requirements and provisions of notice, hearing, bid or
4 intergovernmental transfer as provided in chapter 36.34 RCW: PROVIDED
5 FURTHER, That nothing in this section shall be construed as authorizing
6 any county to sell any property which such county acquired by
7 condemnation for park or playground or other public recreational
8 purposes on or after January 1, 1960, until held for five years or more
9 after such acquisition: PROVIDED FURTHER, That funds acquired from the
10 lease or sale of any park property, buildings or facilities shall be
11 placed in the park and recreation fund to be used for capital purposes.
12 This section is subject to and operates only to the extent its
13 application is not inconsistent with the operation of section 3 of this
14 act with respect to property acquired through or under the threat of
15 condemnation.

16 NEW SECTION. **Sec. 9.** A new section is added to chapter 39.33 RCW
17 to read as follows:

18 This chapter is subject to and operates only to the extent its
19 application is not inconsistent with the operation of section 3 of this
20 act with respect to property acquired through or under the threat of
21 condemnation.

22 **Sec. 10.** RCW 43.43.115 and 1993 c 438 s 1 are each amended to read
23 as follows:

24 Whenever real property owned by the state of Washington and under
25 the jurisdiction of the Washington state patrol is no longer required,
26 it may be sold at fair market value. All proceeds received from the
27 sale of real property, less any real estate broker commissions, shall
28 be deposited into the state patrol highway account: PROVIDED, That if
29 accounts or funds other than the state patrol highway account have
30 contributed to the purchase or improvement of the real property, the
31 office of financial management shall determine the proportional equity
32 of each account or fund in the property and improvements, and shall
33 direct the proceeds to be deposited proportionally therein. This
34 section is subject to and operates only to the extent its application
35 is not inconsistent with the operation of section 3 of this act with

1 respect to property acquired through or under the threat of
2 condemnation.

3 **Sec. 11.** RCW 43.82.010 and 2004 c 277 s 906 are each amended to
4 read as follows:

5 (1) The director of general administration, on behalf of the agency
6 involved, shall purchase, lease, lease purchase, rent, or otherwise
7 acquire all real estate, improved or unimproved, as may be required by
8 elected state officials, institutions, departments, commissions,
9 boards, and other state agencies, or federal agencies where joint state
10 and federal activities are undertaken and may grant easements and
11 transfer, exchange, sell, lease, or sublease all or part of any surplus
12 real estate for those state agencies which do not otherwise have the
13 specific authority to dispose of real estate. This section does not
14 transfer financial liability for the acquired property to the
15 department of general administration.

16 (2) Except for real estate occupied by federal agencies, the
17 director shall determine the location, size, and design of any real
18 estate or improvements thereon acquired or held pursuant to subsection
19 (1) of this section. Facilities acquired or held pursuant to this
20 chapter, and any improvements thereon, shall conform to standards
21 adopted by the director and approved by the office of financial
22 management governing facility efficiency unless a specific exemption
23 from such standards is provided by the director of general
24 administration. The director of general administration shall report to
25 the office of financial management annually on any exemptions granted
26 pursuant to this subsection.

27 (3) The director of general administration may fix the terms and
28 conditions of each lease entered into under this chapter, except that
29 no lease shall extend greater than twenty years in duration. The
30 director of general administration may enter into a long-term lease
31 greater than ten years in duration upon a determination by the director
32 of the office of financial management that the long-term lease provides
33 a more favorable rate than would otherwise be available, it appears to
34 a substantial certainty that the facility is necessary for use by the
35 state for the full length of the lease term, and the facility meets the
36 standards adopted pursuant to subsection (2) of this section. The
37 director of general administration may enter into a long-term lease

1 greater than ten years in duration if an analysis shows that the life-
2 cycle cost of leasing the facility is less than the life-cycle cost of
3 purchasing or constructing a facility in lieu of leasing the facility.
4 For the 2003-05 biennium, any lease entered into after April 1, 2004,
5 with a term of ten years or less shall not contain a nonappropriation
6 clause.

7 (4) Except as permitted under chapter 39.94 RCW, no lease for or on
8 behalf of any state agency may be used or referred to as collateral or
9 security for the payment of securities offered for sale through a
10 public offering. Except as permitted under chapter 39.94 RCW, no lease
11 for or on behalf of any state agency may be used or referred to as
12 collateral or security for the payment of securities offered for sale
13 through a private placement without the prior written approval of the
14 state treasurer. However, this limitation shall not prevent a lessor
15 from assigning or encumbering its interest in a lease as security for
16 the repayment of a promissory note provided that the transaction would
17 otherwise be an exempt transaction under RCW 21.20.320. The state
18 treasurer shall adopt rules that establish the criteria under which any
19 such approval may be granted. In establishing such criteria the state
20 treasurer shall give primary consideration to the protection of the
21 state's credit rating and the integrity of the state's debt management
22 program. If it appears to the state treasurer that any lease has been
23 used or referred to in violation of this subsection or rules adopted
24 under this subsection, then he or she may recommend that the governor
25 cause such lease to be terminated. The department of general
26 administration shall promptly notify the state treasurer whenever it
27 may appear to the department that any lease has been used or referred
28 to in violation of this subsection or rules adopted under this
29 subsection.

30 (5) It is the policy of the state to encourage the colocation and
31 consolidation of state services into single or adjacent facilities,
32 whenever appropriate, to improve public service delivery, minimize
33 duplication of facilities, increase efficiency of operations, and
34 promote sound growth management planning.

35 (6) The director of general administration shall provide
36 coordinated long-range planning services to identify and evaluate
37 opportunities for colocating and consolidating state facilities. Upon
38 the renewal of any lease, the inception of a new lease, or the purchase

1 of a facility, the director of general administration shall determine
2 whether an opportunity exists for collocating the agency or agencies in
3 a single facility with other agencies located in the same geographic
4 area. If a collocation opportunity exists, the director of general
5 administration shall consult with the affected state agencies and the
6 office of financial management to evaluate the impact collocation would
7 have on the cost and delivery of agency programs, including whether
8 program delivery would be enhanced due to the centralization of
9 services. The director of general administration, in consultation with
10 the office of financial management, shall develop procedures for
11 implementing collocation and consolidation of state facilities.

12 (7) The director of general administration is authorized to
13 purchase, lease, rent, or otherwise acquire improved or unimproved real
14 estate as owner or lessee and to lease or sublet all or a part of such
15 real estate to state or federal agencies. The director of general
16 administration shall charge each using agency its proportionate rental
17 which shall include an amount sufficient to pay all costs, including,
18 but not limited to, those for utilities, janitorial and accounting
19 services, and sufficient to provide for contingencies; which shall not
20 exceed five percent of the average annual rental, to meet unforeseen
21 expenses incident to management of the real estate.

22 (8) If the director of general administration determines that it is
23 necessary or advisable to undertake any work, construction, alteration,
24 repair, or improvement on any real estate acquired pursuant to
25 subsection (1) or (7) of this section, the director shall cause plans
26 and specifications thereof and an estimate of the cost of such work to
27 be made and filed in his or her office and the state agency benefiting
28 thereby is hereby authorized to pay for such work out of any available
29 funds: PROVIDED, That the cost of executing such work shall not exceed
30 the sum of twenty-five thousand dollars. Work, construction,
31 alteration, repair, or improvement in excess of twenty-five thousand
32 dollars, other than that done by the owner of the property if other
33 than the state, shall be performed in accordance with the public works
34 law of this state.

35 (9) In order to obtain maximum utilization of space, the director
36 of general administration shall make space utilization studies, and
37 shall establish standards for use of space by state agencies. Such

1 studies shall include the identification of opportunities for
2 colocation and consolidation of state agency office and support
3 facilities.

4 (10) The director of general administration may construct new
5 buildings on, or improve existing facilities, and furnish and equip,
6 all real estate under his or her management. Prior to the construction
7 of new buildings or major improvements to existing facilities or
8 acquisition of facilities using a lease purchase contract, the director
9 of general administration shall conduct an evaluation of the facility
10 design and budget using life-cycle cost analysis, value-engineering,
11 and other techniques to maximize the long-term effectiveness and
12 efficiency of the facility or improvement.

13 (11) All conveyances and contracts to purchase, lease, rent,
14 transfer, exchange, or sell real estate and to grant and accept
15 easements shall be approved as to form by the attorney general, signed
16 by the director of general administration or the director's designee,
17 and recorded with the county auditor of the county in which the
18 property is located.

19 (12) The director of general administration may delegate any or all
20 of the functions specified in this section to any agency upon such
21 terms and conditions as the director deems advisable.

22 (13) This section does not apply to the acquisition of real estate
23 by:

24 (a) The state college and universities for research or experimental
25 purposes;

26 (b) The state liquor control board for liquor stores and
27 warehouses; and

28 (c) The department of natural resources, the department of fish and
29 wildlife, the department of transportation, and the state parks and
30 recreation commission for purposes other than the leasing of offices,
31 warehouses, and real estate for similar purposes.

32 (14) Notwithstanding any provision in this chapter to the contrary,
33 the department of general administration may negotiate ground leases
34 for public lands on which property is to be acquired under a financing
35 contract pursuant to chapter 39.94 RCW under terms approved by the
36 state finance committee.

37 (15) This section is subject to and operates only to the extent its

1 application is not inconsistent with the operation of section 3 of this
2 act with respect to property acquired through or under the threat of
3 condemnation.

4 **Sec. 12.** RCW 47.12.063 and 2006 c 17 s 2 are each amended to read
5 as follows:

6 (1) It is the intent of the legislature to continue the
7 department's policy giving priority consideration to abutting property
8 owners in agricultural areas when disposing of property through its
9 surplus property program under this section.

10 (2) Whenever the department determines that any real property owned
11 by the state of Washington and under the jurisdiction of the department
12 is no longer required for transportation purposes and that it is in the
13 public interest to do so, the department may sell the property or
14 exchange it in full or part consideration for land or improvements or
15 for construction of improvements at fair market value to any of the
16 following governmental entities or persons:

- 17 (a) Any other state agency;
18 (b) The city or county in which the property is situated;
19 (c) Any other municipal corporation;
20 (d) Regional transit authorities created under chapter 81.112 RCW;
21 (e) The former owner of the property from whom the state acquired
22 title;

23 (f) In the case of residentially improved property, a tenant of the
24 department who has resided thereon for not less than six months and who
25 is not delinquent in paying rent to the state;

26 (g) Any abutting private owner but only after each other abutting
27 private owner (if any), as shown in the records of the county assessor,
28 is notified in writing of the proposed sale. If more than one abutting
29 private owner requests in writing the right to purchase the property
30 within fifteen days after receiving notice of the proposed sale, the
31 property shall be sold at public auction in the manner provided in RCW
32 47.12.283;

33 (h) To any person through the solicitation of written bids through
34 public advertising in the manner prescribed by RCW 47.28.050;

35 (i) To any other owner of real property required for transportation
36 purposes;

1 (j) In the case of property suitable for residential use, any
2 nonprofit organization dedicated to providing affordable housing to
3 very low-income, low-income, and moderate-income households as defined
4 in RCW 43.63A.510 and is eligible to receive assistance through the
5 Washington housing trust fund created in chapter 43.185 RCW; or

6 (k) A federally recognized Indian tribe within whose reservation
7 boundary the property is located.

8 (3) Sales to purchasers may at the department's option be for cash,
9 by real estate contract, or exchange of land or improvements.
10 Transactions involving the construction of improvements must be
11 conducted pursuant to chapter 47.28 RCW or Title 39 RCW, as applicable,
12 and must comply with all other applicable laws and rules.

13 (4) Conveyances made pursuant to this section shall be by deed
14 executed by the secretary of transportation and shall be duly
15 acknowledged.

16 (5) Unless otherwise provided, all moneys received pursuant to the
17 provisions of this section less any real estate broker commissions paid
18 pursuant to RCW 47.12.320 shall be deposited in the motor vehicle fund.

19 (6) This section is subject to and operates only to the extent its
20 application is not inconsistent with the operation of section 3 of this
21 act with respect to property acquired through or under the threat of
22 condemnation.

23 **Sec. 13.** RCW 47.12.283 and 1979 ex.s. c 189 s 1 are each amended
24 to read as follows:

25 (1) Whenever the department of transportation determines that any
26 real property owned by the state of Washington and under the
27 jurisdiction of the department is no longer required for highway
28 purposes and that it is in the public interest to do so, the department
29 may, in its discretion, sell the property under RCW 47.12.063 or under
30 subsections (2) through (6) of this section.

31 (2) Whenever the department determines to sell real property under
32 its jurisdiction at public auction, the department shall first give
33 notice thereof by publication on the same day of the week for two
34 consecutive weeks, with the first publication at least two weeks prior
35 to the date of the auction, in a legal newspaper of general circulation
36 in the area where the property to be sold is located. The notice shall
37 be placed in both the legal notices section and the real estate

1 classified section of the newspaper. The notice shall contain a
2 description of the property, the time and place of the auction, and the
3 terms of the sale. The sale may be for cash or by real estate
4 contract.

5 (3) The department shall sell the property at the public auction,
6 in accordance with the terms set forth in the notice, to the highest
7 and best bidder providing the bid is equal to or higher than the
8 appraised fair market value of the property.

9 (4) If no bids are received at the auction or if all bids are
10 rejected, the department may, in its discretion, enter into
11 negotiations for the sale of the property or may list the property with
12 a licensed real estate broker. No property shall be sold by
13 negotiations or through a broker for less than the property's appraised
14 fair market value. Any offer to purchase real property pursuant to
15 this subsection shall be in writing and may be rejected at any time
16 prior to written acceptance by the department.

17 (5) Before the department shall approve any offer for the purchase
18 of real property having an appraised value of more than ten thousand
19 dollars, pursuant to subsection (4) of this section, the department
20 shall first publish a notice of the proposed sale in a local newspaper
21 of general circulation in the area where the property is located. The
22 notice shall include a description of the property, the selling price,
23 the terms of the sale, including the price and interest rate if sold by
24 real estate contract, and the name and address of the department
25 employee or the real estate broker handling the transaction. The
26 notice shall further state that any person may, within ten days after
27 the publication of the notice, deliver to the designated state employee
28 or real estate broker a written offer to purchase the property for not
29 less than ten percent more than the negotiated sale price, subject to
30 the same terms and conditions. A subsequent offer shall not be
31 considered unless it is accompanied by a deposit of twenty percent of
32 the offer in the form of cash, money order, cashiers check, or
33 certified check payable to the Washington state treasurer, to be
34 forfeited to the state (for deposit in the motor vehicle fund) if the
35 offeror fails to complete the sale if the offeror's offer is accepted.
36 If a subsequent offer is received, the first offeror shall be informed
37 by registered or certified mail sent to the address stated in his
38 offer. The first offeror shall then have ten days, from the date of

1 mailing the notice of the increased offer, in which to file with the
2 designated state employee or real estate broker a higher offer than
3 that of the subsequent offeror. After the expiration of the ten day
4 period, the department shall approve in writing the highest and best
5 offer which the department then has on file.

6 (6) All moneys received pursuant to this section, less any real
7 estate broker's commissions paid pursuant to RCW 47.12.320, shall be
8 deposited in the motor vehicle fund.

9 (7) This section is subject to and operates only to the extent its
10 application is not inconsistent with the operation of section 3 of this
11 act with respect to property acquired through or under the threat of
12 condemnation.

13 **Sec. 14.** RCW 53.08.090 and 1994 c 26 s 1 are each amended to read
14 as follows:

15 (1) A port commission may, by resolution, authorize the managing
16 official of a port district to sell and convey port district property
17 of ten thousand dollars or less in value. The authority shall be in
18 force for not more than one calendar year from the date of resolution
19 and may be renewed from year to year. Prior to any such sale or
20 conveyance the managing official shall itemize and list the property to
21 be sold and make written certification to the commission that the
22 listed property is no longer needed for district purposes. Any large
23 block of the property having a value in excess of ten thousand dollars
24 shall not be broken down into components of ten thousand dollars or
25 less value and sold in the smaller components unless the smaller
26 components be sold by public competitive bid. A port district may sell
27 and convey any of its real or personal property valued at more than ten
28 thousand dollars when the port commission has, by resolution, declared
29 the property to be no longer needed for district purposes, but no
30 property which is a part of the comprehensive plan of improvement or
31 modification thereof shall be disposed of until the comprehensive plan
32 has been modified to find the property surplus to port needs. The
33 comprehensive plan shall be modified only after public notice and
34 hearing provided by RCW 53.20.010.

35 Nothing in this section shall be deemed to repeal or modify
36 procedures for property sales within industrial development districts
37 as set forth in chapter 53.25 RCW.

1 (2) The ten thousand dollar figures in subsection (1) of this
2 section shall be adjusted annually based upon the governmental price
3 index established by the department of revenue under RCW 82.14.200.

4 (3) This section is subject to and operates only to the extent its
5 application is not inconsistent with the operation of section 3 of this
6 act with respect to property acquired through or under the threat of
7 condemnation.

8 **Sec. 15.** RCW 53.25.040 and 1989 c 167 s 1 are each amended to read
9 as follows:

10 (1) A port commission may, after a public hearing thereon, of which
11 at least ten days' notice shall be published in a newspaper of general
12 circulation in the port district, create industrial development
13 districts within the district and define the boundaries thereof, if it
14 finds that the creation of the industrial development district is
15 proper and desirable in establishing and developing a system of harbor
16 improvements and industrial development in the port district.

17 (2) The boundaries of an industrial development district created by
18 subsection (1) of this section may be revised from time to time by
19 resolution of the port commission, to delete land area therefrom, if
20 the land area to be deleted was acquired by the port district with its
21 own funds or by gift or transfer other than pursuant to RCW 53.25.050
22 or 53.25.060.

23 As to any land area to be deleted under this subsection that was
24 acquired or improved by the port district with funds obtained through
25 RCW 53.36.100, the port district shall deposit funds equal to the fair
26 market value of the lands and improvements into the fund for future use
27 described in RCW 53.36.100 and such funds shall be thereafter subject
28 to RCW 53.36.100. The fair market value of the land and improvements
29 shall be determined as of the effective date of the port commission
30 action deleting the land from the industrial development district and
31 shall be determined by an average of at least two independent
32 appraisals by professionally designated real estate appraisers as
33 defined in RCW 74.46.020 or licensed real estate brokers. The funds
34 shall be deposited into the fund for future use described in RCW
35 53.36.100 within ninety days of the effective date of the port
36 commission action deleting the land area from the industrial district.
37 Land areas deleted from an industrial development district under this

1 subsection shall not be further subject to the provisions of this
2 chapter. This subsection shall apply to presently existing and future
3 industrial development districts. Land areas deleted from an
4 industrial development district under this subsection that were
5 included within such district for less than two years, if the port
6 district acquired the land through condemnation or as a consequence of
7 threatened condemnation, shall be offered for sale, for cash, at the
8 appraised price, to the former owner of the property from whom the
9 district obtained title. Such offer shall be made by certified or
10 registered letter to the last known address of the former owner. The
11 letter shall include the appraised price of the property and notice
12 that the former owner must respond in writing within thirty days or
13 lose the right to purchase. If this right to purchase is exercised,
14 the sale shall be closed by midnight of the sixtieth day, including
15 nonbusiness days, following close of the thirty-day period. This
16 section is subject to and operates only to the extent its application
17 is not inconsistent with the operation of section 3 of this act with
18 respect to property acquired through or under the threat of
19 condemnation.

20 **Sec. 16.** RCW 70.44.300 and 1997 c 332 s 17 are each amended to
21 read as follows:

22 (1) The board of commissioners of any public hospital district may
23 sell and convey at public or private sale real property of the district
24 if the board determines by resolution that the property is no longer
25 required for public hospital district purposes or determines by
26 resolution that the sale of the property will further the purposes of
27 the public hospital district.

28 (2) Any sale of district real property authorized pursuant to this
29 section shall be preceded, not more than one year prior to the date of
30 sale, by market value appraisals by three licensed real estate brokers
31 or professionally designated real estate appraisers as defined in RCW
32 74.46.020 or three independent experts in valuing health care property,
33 selected by the board of commissioners, and no sale shall take place if
34 the sale price would be less than ninety percent of the average of such
35 appraisals.

36 (3) When the board of commissioners of any public hospital district
37 proposes a sale of district real property pursuant to this section and

1 the value of the property exceeds one hundred thousand dollars, the
2 board shall publish a notice of its intention to sell the property.
3 The notice shall be published at least once each week during two
4 consecutive weeks in a legal newspaper of general circulation within
5 the public hospital district. The notice shall describe the property
6 to be sold and designate the place where and the day and hour when a
7 hearing will be held. The board shall hold a public hearing upon the
8 proposal to dispose of the public hospital district property at the
9 place and the day and hour fixed in the notice and consider evidence
10 offered for and against the propriety and advisability of the proposed
11 sale.

12 (4) If in the judgment of the board of commissioners of any
13 district the sale of any district real property not needed for public
14 hospital district purposes would be facilitated and greater value
15 realized through use of the services of licensed real estate brokers,
16 a contract for such services may be negotiated and concluded. The fee
17 or commissions charged for any broker service shall not exceed seven
18 percent of the resulting sale price for a single parcel. No licensed
19 real estate broker or professionally designated real estate appraisers
20 as defined in RCW 74.46.020 or independent expert in valuing health
21 care property selected by the board to appraise the market value of a
22 parcel of property to be sold may be a party to any contract with the
23 public hospital district to sell such property for a period of three
24 years after the appraisal.

25 (5) This section is subject to and operates only to the extent its
26 application is not inconsistent with the operation of section 3 of this
27 act with respect to property acquired through or under the threat of
28 condemnation.

29 **Sec. 17.** RCW 79.36.330 and 2004 c 199 s 217 are each amended to
30 read as follows:

31 In the event the department should determine that the property
32 interests acquired under the authority of this chapter are no longer
33 necessary for the purposes for which they were acquired, the department
34 shall dispose of the same in the following manner, when in the
35 discretion of the department it is to the best interests of the state
36 of Washington to do so, except that property purchased with educational

1 funds or held in trust for educational purposes shall be sold only in
2 the same manner as are state lands:

3 (1) Where the state property necessitating the acquisition of
4 private property interests for access purposes under authority of this
5 chapter is sold or exchanged, the acquired property interests may be
6 sold or exchanged as an appurtenance of the state property when it is
7 determined by the department that sale or exchange of the state
8 property and acquired property interests as one parcel is in the best
9 interests of the state.

10 (2) If the acquired property interests are not sold or exchanged as
11 provided in subsection (1) of this section, the department shall notify
12 the person or persons from whom the property interest was acquired,
13 stating that the property interests are to be sold, and that the person
14 or persons shall have the right to purchase the same at the appraised
15 price. The notice shall be given by registered letter or certified
16 mail, return receipt requested, mailed to the last known address of the
17 person or persons. If the address of the person or persons is unknown,
18 the notice shall be published twice in an official newspaper of general
19 circulation in the county where the lands or a portion thereof is
20 located. The second notice shall be published not less than ten nor
21 more than thirty days after the notice is first published. The person
22 or persons shall have thirty days after receipt of the registered
23 letter or five days after the last date of publication, as the case may
24 be, to notify the department, in writing, of their intent to purchase
25 the offered property interest. The purchaser shall include with his or
26 her notice of intention to purchase, cash payment, certified check, or
27 money order in an amount not less than one-third of the appraised
28 price. No instrument conveying property interests shall issue from the
29 department until the full price of the property is received by the
30 department. All costs of publication required under this section shall
31 be added to the appraised price and collected by the department upon
32 sale of the property interests.

33 (3) If the property interests are not sold or exchanged as provided
34 in subsections (1) and (2) of this section, the department shall notify
35 the owners of land abutting the property interests in the same manner
36 as provided in subsection (2) of this section and their notice of
37 intent to purchase shall be given in the manner and in accordance with
38 the same time limits as are set forth in subsection (2) of this

1 section. However, if more than one abutting owner gives notice of
2 intent to purchase the property interests, the department shall
3 apportion them in relation to the lineal footage bordering each side of
4 the property interests to be sold, and apportion the costs to the
5 interested purchasers in relation thereto. Further, no sale is
6 authorized by this section unless the department is satisfied that the
7 amounts to be received from the several purchasers will equal or exceed
8 the appraised price of the entire parcel plus any costs of publishing
9 notices.

10 (4) If no sale or exchange is consummated as provided in
11 subsections (1) through (3) of this section, the department shall sell
12 the properties in the same manner as state lands are sold.

13 (5) Any disposal of property interests authorized by this chapter
14 shall be subject to any existing rights previously granted by the
15 department.

16 (6) This section is subject to and operates only to the extent its
17 application is not inconsistent with the operation of section 3 of this
18 act with respect to property acquired through or under the threat of
19 condemnation.

20 **Sec. 18.** RCW 80.28.230 and 1961 c 14 s 80.28.230 are each amended
21 to read as follows:

22 Any property or interest acquired as provided in RCW 80.28.220
23 shall be used exclusively for the purposes for which it was acquired:
24 PROVIDED, HOWEVER, That if any such property be sold or otherwise
25 disposed of by said corporations, such sale or disposition shall be by
26 public sale or disposition and advertised in the manner of public sales
27 in the county where such property is located. This section is subject
28 to and operates only to the extent its application is not inconsistent
29 with the operation of section 3 of this act with respect to property
30 acquired through or under the threat of condemnation.

31 **Sec. 19.** RCW 80.40.030 and 1963 c 201 s 4 are each amended to read
32 as follows:

33 Any natural gas company having received an order under RCW
34 80.40.040 shall have the right of eminent domain to be exercised in the
35 manner provided in and subject to the provisions of chapter 8.20 RCW to
36 acquire for its use for the underground storage of natural gas any

1 underground reservoir, as well as such other property or interests in
2 property as may be required to adequately maintain and utilize the
3 underground reservoir for the underground storage of natural gas,
4 including easements and rights of way for access to and egress from the
5 underground storage reservoir. The right of eminent domain granted
6 hereby shall apply to property or property interests held in private
7 ownership, provided condemnor has exercised good faith in negotiations
8 for private sale or lease. No property shall be taken or damaged until
9 the compensation to be made therefor shall have been ascertained and
10 paid. Any property or interest therein so acquired by any natural gas
11 company shall be used exclusively for the purposes for which it was
12 acquired. Any decree of appropriation hereunder shall define and limit
13 the rights condemned and shall provide for the reversion of such rights
14 to the defendant or defendants or their successors in interest upon
15 abandonment of the underground storage project. Good faith exploration
16 work or development work relative to the storage reservoir is
17 conclusive evidence that its use has not been abandoned. The court may
18 include in such decree such other relevant conditions, covenants and
19 restrictions as it may deem fair and equitable. This section is
20 subject to and operates only to the extent its application is not
21 inconsistent with the operation of section 3 of this act with respect
22 to property acquired through or under the threat of condemnation.

23 **Sec. 20.** RCW 81.112.080 and 1992 c 101 s 8 are each amended to
24 read as follows:

25 An authority shall have the following powers in addition to the
26 general powers granted by this chapter:

27 (1) To carry out the planning processes set forth in RCW
28 81.104.100;

29 (2) To acquire by purchase, condemnation, gift, or grant and to
30 lease, construct, add to, improve, replace, repair, maintain, operate,
31 and regulate the use of high capacity transportation facilities and
32 properties within authority boundaries including surface, underground,
33 or overhead railways, tramways, busways, buses, bus sets, entrained and
34 linked buses, ferries, or other means of local transportation except
35 taxis, and including escalators, moving sidewalks, personal rapid
36 transit systems or other people-moving systems, passenger terminal and
37 parking facilities and properties, and such other facilities and

1 properties as may be necessary for passenger, vehicular, and vessel
2 access to and from such people-moving systems, terminal and parking
3 facilities and properties, together with all lands, rights of way,
4 property, equipment, and accessories necessary for such high capacity
5 transportation systems. When developing specifications for high
6 capacity transportation system operating equipment, an authority shall
7 take into account efforts to establish or sustain a domestic
8 manufacturing capacity for such equipment. The right of eminent domain
9 shall be exercised by an authority in the same manner and by the same
10 procedure as or may be provided by law for cities of the first class,
11 except insofar as such laws may be inconsistent with the provisions of
12 this chapter. Public transportation facilities and properties which
13 are owned by any city, county, county transportation authority, public
14 transportation benefit area, or metropolitan municipal corporation may
15 be acquired or used by an authority only with the consent of the agency
16 owning such facilities. Such agencies are hereby authorized to convey
17 or lease such facilities to an authority or to contract for their joint
18 use on such terms as may be fixed by agreement between the agency and
19 the authority.

20 The facilities and properties of an authority whose vehicles will
21 operate primarily within the rights of way of public streets, roads, or
22 highways, may be acquired, developed, and operated without the corridor
23 and design hearings that are required by RCW 35.58.273 for mass transit
24 facilities operating on a separate right of way;

25 (3) To dispose of any real or personal property acquired in
26 connection with any authority function and that is no longer required
27 for the purposes of the authority, in the same manner as provided for
28 cities of the first class. When an authority determines that a
29 facility or any part thereof that has been acquired from any public
30 agency without compensation is no longer required for authority
31 purposes, but is required by the agency from which it was acquired, the
32 authority shall by resolution transfer it to such agency. This
33 subsection is subject to and operates only to the extent its
34 application is not inconsistent with the operation of section 3 of this
35 act with respect to property acquired through or under the threat of
36 condemnation;

37 (4) To fix rates, tolls, fares, and charges for the use of such

1 facilities and to establish various routes and classes of service.
2 Fares or charges may be adjusted or eliminated for any distinguishable
3 class of users.

4 NEW SECTION. **Sec. 21.** A new section is added to chapter 8.04 RCW
5 to read as follows:

6 (1) No public entity that is subject to this chapter or that
7 derives authority from this chapter may take private property solely
8 for the purpose of economic development.

9 (2) For the purposes of this section, "economic development" means
10 the acquisition or use of real property to increase tax revenue, tax
11 base, employment, or economic health. For the purposes of this
12 section, "economic development" does not include the acquisition or use
13 of real property for the primary purpose of:

14 (a) The transfer of real property to public ownership;

15 (b) The transfer of real property to a private entity that is a
16 common carrier, such as a utility or railroad;

17 (c) The transfer of real property to a private entity when
18 acquisition or appropriation is necessary to remove a threat to public
19 health or safety based on the present condition and use of the real
20 property;

21 (d) The transfer of real property to a private entity when
22 acquisition or appropriation is necessary for the removal of unsanitary
23 or unsafe conditions, conditions that endanger life or property by fire
24 or other causes, conditions conducive to ill health, transmission of
25 disease, infant mortality, juvenile delinquency and crime, hazardous
26 soils, substances, or materials, or conditions detrimental to or
27 constituting a menace to the public health, safety, welfare, and morals
28 in its present condition and use;

29 (e) The transfer of real property to a private entity when
30 acquisition or appropriation is necessary for the acquisition of
31 abandoned property; or

32 (f) The lease of real property to a private entity that occupies an
33 area within a public project or facility.

34 (3) This section does not apply to port districts or to common
35 carriers such as utilities and railroads and does not by implication
36 increase, decrease, or alter the powers of eminent domain of those
37 districts or common carriers.

1 NEW SECTION. **Sec. 22.** A new section is added to chapter 8.08 RCW
2 to read as follows:

3 (1) No public entity that is subject to this chapter or that
4 derives authority from this chapter may take private property solely
5 for the purpose of economic development.

6 (2) For the purposes of this section, "economic development" means
7 the acquisition or use of real property to increase tax revenue, tax
8 base, employment, or economic health. For the purposes of this
9 section, "economic development" does not include the acquisition or use
10 of real property for the primary purpose of:

11 (a) The transfer of real property to public ownership;

12 (b) The transfer of real property to a private entity that is a
13 common carrier, such as a utility or railroad;

14 (c) The transfer of real property to a private entity when
15 acquisition or appropriation is necessary to remove a threat to public
16 health or safety based on the present condition and use of the real
17 property;

18 (d) The transfer of real property to a private entity when
19 acquisition or appropriation is necessary for the removal of unsanitary
20 or unsafe conditions, conditions that endanger life or property by fire
21 or other causes, conditions conducive to ill health, transmission of
22 disease, infant mortality, juvenile delinquency and crime, hazardous
23 soils, substances, or materials, or conditions detrimental to or
24 constituting a menace to the public health, safety, welfare, and morals
25 in its present condition and use;

26 (e) The transfer of real property to a private entity when
27 acquisition or appropriation is necessary for the acquisition of
28 abandoned property; or

29 (f) The lease of real property to a private entity that occupies an
30 area within a public project or facility.

31 (3) This section does not apply to port districts or to common
32 carriers such as utilities and railroads and does not by implication
33 increase, decrease, or alter the powers of eminent domain of those
34 districts or common carriers.

35 NEW SECTION. **Sec. 23.** A new section is added to chapter 8.12 RCW
36 to read as follows:

1 (1) No public entity that is subject to this chapter or that
2 derives authority from this chapter may take private property solely
3 for the purpose of economic development.

4 (2) For the purposes of this section, "economic development" means
5 the acquisition or use of real property to increase tax revenue, tax
6 base, employment, or economic health. For the purposes of this
7 section, "economic development" does not include the acquisition or use
8 of real property for the primary purpose of:

9 (a) The transfer of real property to public ownership;

10 (b) The transfer of real property to a private entity that is a
11 common carrier, such as a utility or railroad;

12 (c) The transfer of real property to a private entity when
13 acquisition or appropriation is necessary to remove a threat to public
14 health or safety based on the present condition and use of the real
15 property;

16 (d) The transfer of real property to a private entity when
17 acquisition or appropriation is necessary for the removal of unsanitary
18 or unsafe conditions, conditions that endanger life or property by fire
19 or other causes, conditions conducive to ill health, transmission of
20 disease, infant mortality, juvenile delinquency and crime, hazardous
21 soils, substances, or materials, or conditions detrimental to or
22 constituting a menace to the public health, safety, welfare, and morals
23 in its present condition and use;

24 (e) The transfer of real property to a private entity when
25 acquisition or appropriation is necessary for the acquisition of
26 abandoned property; or

27 (f) The lease of real property to a private entity that occupies an
28 area within a public project or facility.

29 (3) This section does not apply to port districts or to common
30 carriers such as utilities and railroads and does not by implication
31 increase, decrease, or alter the powers of eminent domain of those
32 districts or common carriers.

33 NEW SECTION. **Sec. 24.** A new section is added to chapter 8.16 RCW
34 to read as follows:

35 (1) No public entity that is subject to this chapter or that
36 derives authority from this chapter may take private property solely
37 for the purpose of economic development.

1 (2) For the purposes of this section, "economic development" means
2 the acquisition or use of real property to increase tax revenue, tax
3 base, employment, or economic health. For the purposes of this
4 section, "economic development" does not include the acquisition or use
5 of real property for the primary purpose of:

6 (a) The transfer of real property to public ownership;

7 (b) The transfer of real property to a private entity that is a
8 common carrier, such as a utility or railroad;

9 (c) The transfer of real property to a private entity when
10 acquisition or appropriation is necessary to remove a threat to public
11 health or safety based on the present condition and use of the real
12 property;

13 (d) The transfer of real property to a private entity when
14 acquisition or appropriation is necessary for the removal of unsanitary
15 or unsafe conditions, conditions that endanger life or property by fire
16 or other causes, conditions conducive to ill health, transmission of
17 disease, infant mortality, juvenile delinquency and crime, hazardous
18 soils, substances, or materials, or conditions detrimental to or
19 constituting a menace to the public health, safety, welfare, and morals
20 in its present condition and use;

21 (e) The transfer of real property to a private entity when
22 acquisition or appropriation is necessary for the acquisition of
23 abandoned property; or

24 (f) The lease of real property to a private entity that occupies an
25 area within a public project or facility.

26 (3) This section does not apply to port districts or to common
27 carriers such as utilities and railroads and does not by implication
28 increase, decrease, or alter the powers of eminent domain of those
29 districts or common carriers.

30 NEW SECTION. **Sec. 25.** A new section is added to chapter 8.20 RCW
31 to read as follows:

32 (1) No public entity that is subject to this chapter or that
33 derives authority from this chapter may take private property solely
34 for the purpose of economic development.

35 (2) For the purposes of this section, "economic development" means
36 the acquisition or use of real property to increase tax revenue, tax

1 base, employment, or economic health. For the purposes of this
2 section, "economic development" does not include the acquisition or use
3 of real property for the primary purpose of:

4 (a) The transfer of real property to public ownership;

5 (b) The transfer of real property to a private entity that is a
6 common carrier, such as a utility or railroad;

7 (c) The transfer of real property to a private entity when
8 acquisition or appropriation is necessary to remove a threat to public
9 health or safety based on the present condition and use of the real
10 property;

11 (d) The transfer of real property to a private entity when
12 acquisition or appropriation is necessary for the removal of unsanitary
13 or unsafe conditions, conditions that endanger life or property by fire
14 or other causes, conditions conducive to ill health, transmission of
15 disease, infant mortality, juvenile delinquency and crime, hazardous
16 soils, substances, or materials, or conditions detrimental to or
17 constituting a menace to the public health, safety, welfare, and morals
18 in its present condition and use;

19 (e) The transfer of real property to a private entity when
20 acquisition or appropriation is necessary for the acquisition of
21 abandoned property; or

22 (f) The lease of real property to a private entity that occupies an
23 area within a public project or facility.

24 (3) This section does not apply to port districts or to common
25 carriers such as utilities and railroads and does not by implication
26 increase, decrease, or alter the powers of eminent domain of those
27 districts or common carriers.

28 NEW SECTION. **Sec. 26.** A new section is added to chapter 8.25 RCW
29 to read as follows:

30 (1) No public entity may take private property solely for the
31 purpose of economic development.

32 (2) For the purposes of this section, "economic development" means
33 the acquisition or use of real property to increase tax revenue, tax
34 base, employment, or economic health. For the purposes of this
35 section, "economic development" does not include the acquisition or use
36 of real property for the primary purpose of:

37 (a) The transfer of real property to public ownership;

1 (b) The transfer of real property to a private entity that is a
2 common carrier, such as a utility or railroad;

3 (c) The transfer of real property to a private entity when
4 acquisition or appropriation is necessary to remove a threat to public
5 health or safety based on the present condition and use of the real
6 property;

7 (d) The transfer of real property to a private entity when
8 acquisition or appropriation is necessary for the removal of unsanitary
9 or unsafe conditions, conditions that endanger life or property by fire
10 or other causes, conditions conducive to ill health, transmission of
11 disease, infant mortality, juvenile delinquency and crime, hazardous
12 soils, substances, or materials, or conditions detrimental to or
13 constituting a menace to the public health, safety, welfare, and morals
14 in its present condition and use;

15 (e) The transfer of real property to a private entity when
16 acquisition or appropriation is necessary for the acquisition of
17 abandoned property; or

18 (f) The lease of real property to a private entity that occupies an
19 area within a public project or facility.

20 (3) This section does not apply to port districts or to common
21 carriers such as utilities and railroads and does not by implication
22 increase, decrease, or alter the powers of eminent domain of those
23 districts or common carriers.

24 NEW SECTION. **Sec. 27.** A new section is added to chapter 35.81 RCW
25 to read as follows:

26 Acquisitions of property through the exercise of the power of
27 eminent domain under this chapter are subject to sections 22 and 23 of
28 this act.

29 NEW SECTION. **Sec. 28.** This act applies to condemnation
30 proceedings commenced on or after the effective date of this act."

1 On page 1, line 1 of the title, after "domain;" strike the
2 remainder of the title and insert "amending RCW 8.25.020, 28A.335.120,
3 35.58.340, 35.80A.030, 35.94.040, 36.68.010, 43.43.115, 43.82.010,
4 47.12.063, 47.12.283, 53.08.090, 53.25.040, 70.44.300, 79.36.330,
5 80.28.230, 80.40.030, and 81.112.080; adding new sections to chapter
6 8.25 RCW; adding a new section to chapter 39.33 RCW; adding a new
7 section to chapter 8.04 RCW; adding a new section to chapter 8.08 RCW;
8 adding a new section to chapter 8.12 RCW; adding a new section to
9 chapter 8.16 RCW; adding a new section to chapter 8.20 RCW; adding a
10 new section to chapter 35.81 RCW; and creating a new section."

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